



Investment potentials *of Montenegro*



Montenegrin
Investment
Agency

Montenegro

Lifestyle



Affordable cost of living

Compared to EU countries, Montenegro has an attractive low cost of living and affordable utilities



The mild Mediterranean climate

The mild Mediterranean climate - with 270 sunny days a year, together with its astonishing natural beauty, rich cultural tradition, and access to the Adriatic Sea



A country with beautiful nature

Stunning nature with both seaside and mountains is a rare attribute for a country of this size



The Cuisine

being a delicious fusion of Mediterranean and Central European flavors, is unique. People are drawn to Montenegro for numerous things, but one of the most common is its traditional cuisine.



A place for everyone

whether you are seeking adventure, luxury boat sailing, hiking, eating in fancy restaurants, or drinking a beer at a beach bar – you can find it all in Montenegro

Why Montenegro?

Low corporate profit tax

9% - from 0 € to 100.000€
12% - from 100.000€ to 1.500.000 €
15% - over 1.500.000€

Residence permit

No restrictions
Issued in 15 days

Easy business start up

Company registration in 10 business days
Minimum initial capital for opening a LLC is 1 €
Low company maintenance costs

Buy a property in Montenegro

3% - the real estate purchase tax
0.25% - 1% - annual real estate tax
Get a residence permit based on property ownership

National treatment of foreign investors

Foreign Investment Law guarantees the principle of national treatment, which means that foreign investors have the equal rights as domestic ones.

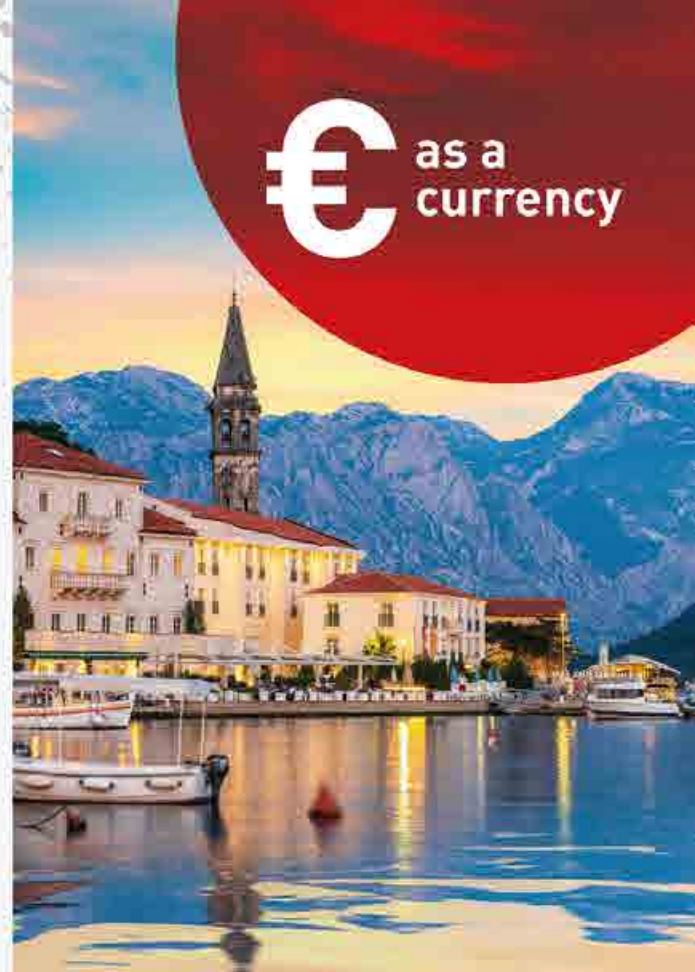
Stable banking system

Foreigners living or working in Montenegro can choose from a wide numbers of Montenegro banks. At the end of 2021, the banking sector consisted of 11 banks, mostly foreign ones.

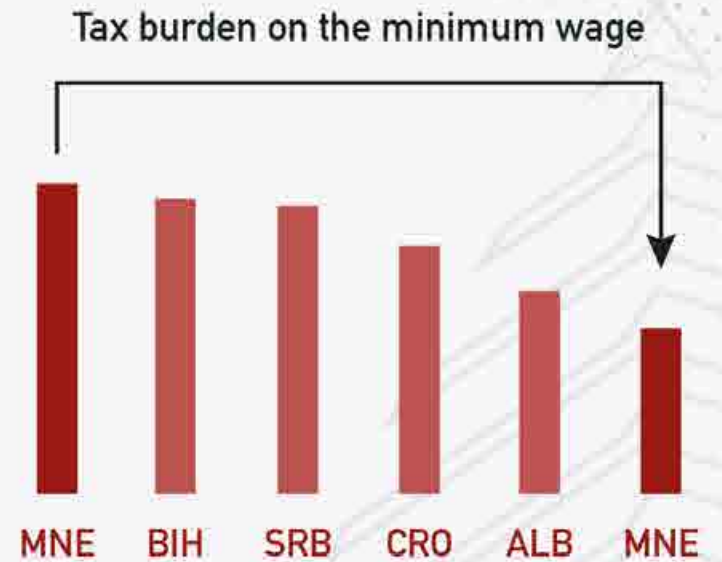
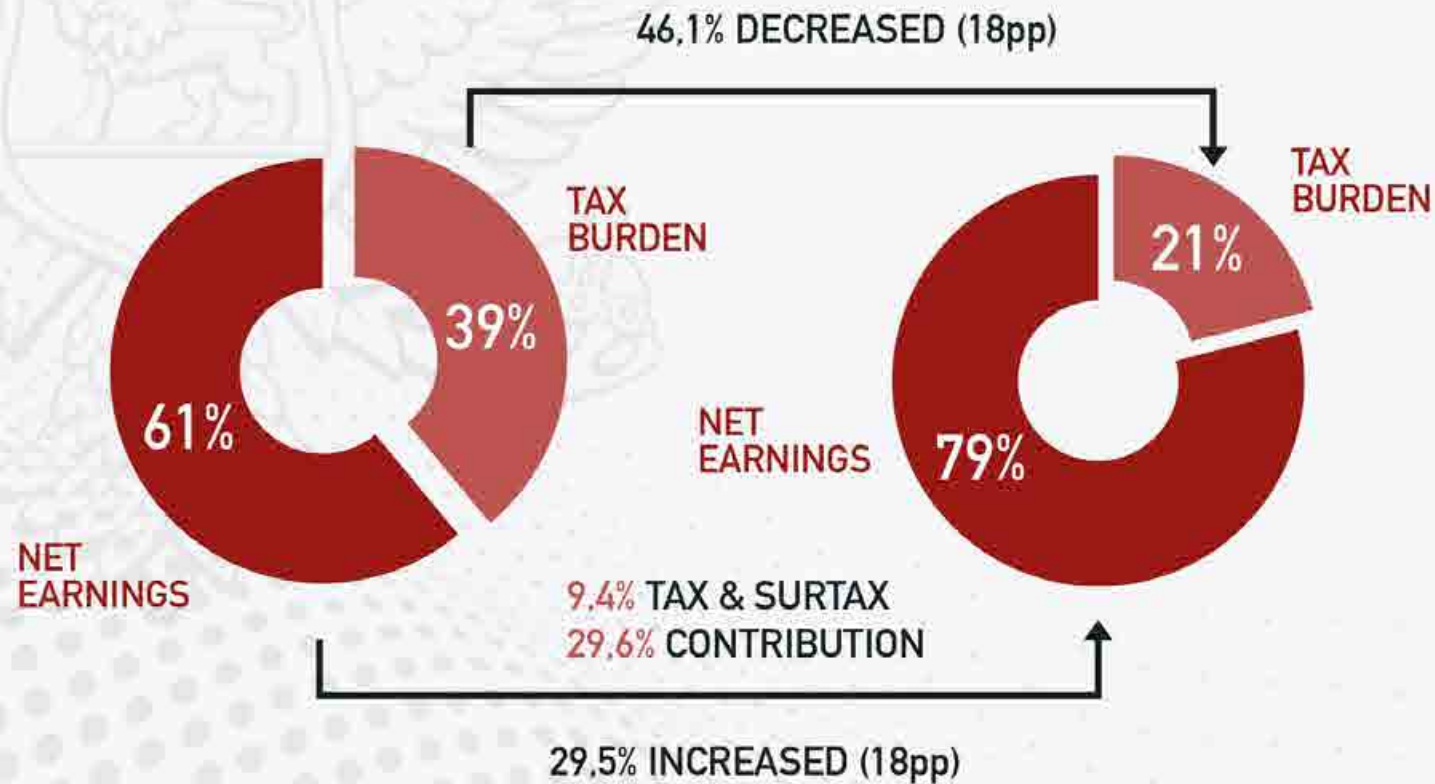
Great connectivity

Well airport connectivity, the possibility of transport by land, air and sea guarantees unique access to markets and delivery of all products on time.

€ as a currency



NEW FISCAL POLICY



NEW FISCAL POLICY

NET SALARY
BEFORE 31.12.2021.

GROSS SALARY
BEFORE 31.12.2021.

NET SALARY
AFTER 31.12.2021.

GROSS SALARY
AFTER 31.12.2021.

450,00€

740,96€

450,00€

568,07€

500,00€

823,25€

500,00€

631,18€

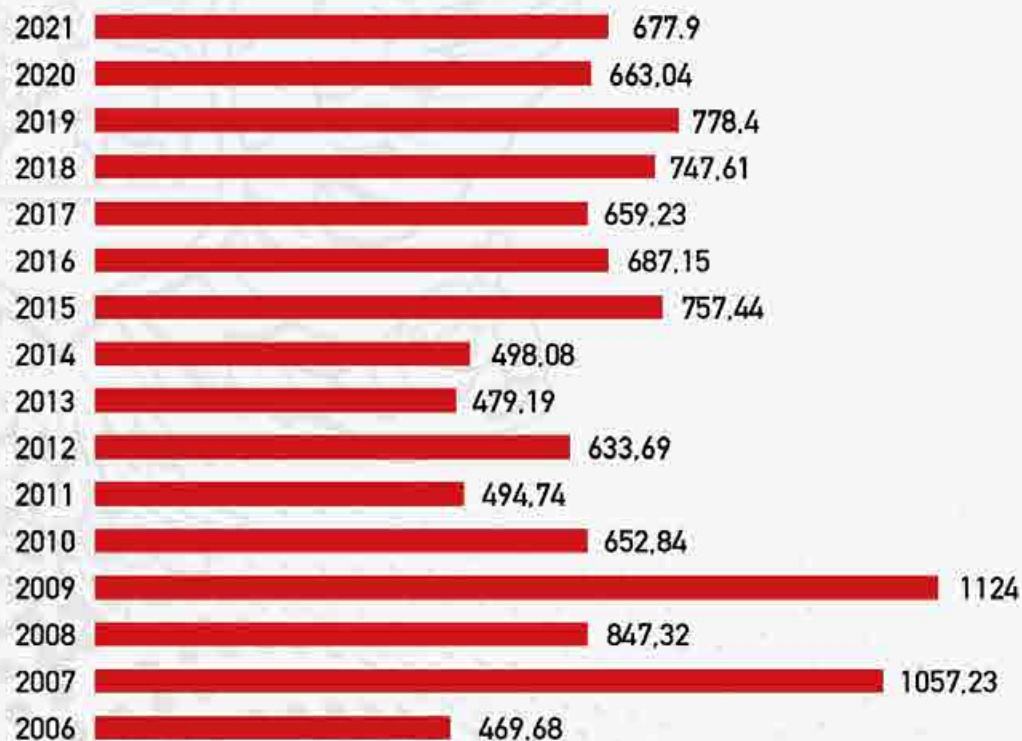
550,00€

905,61€

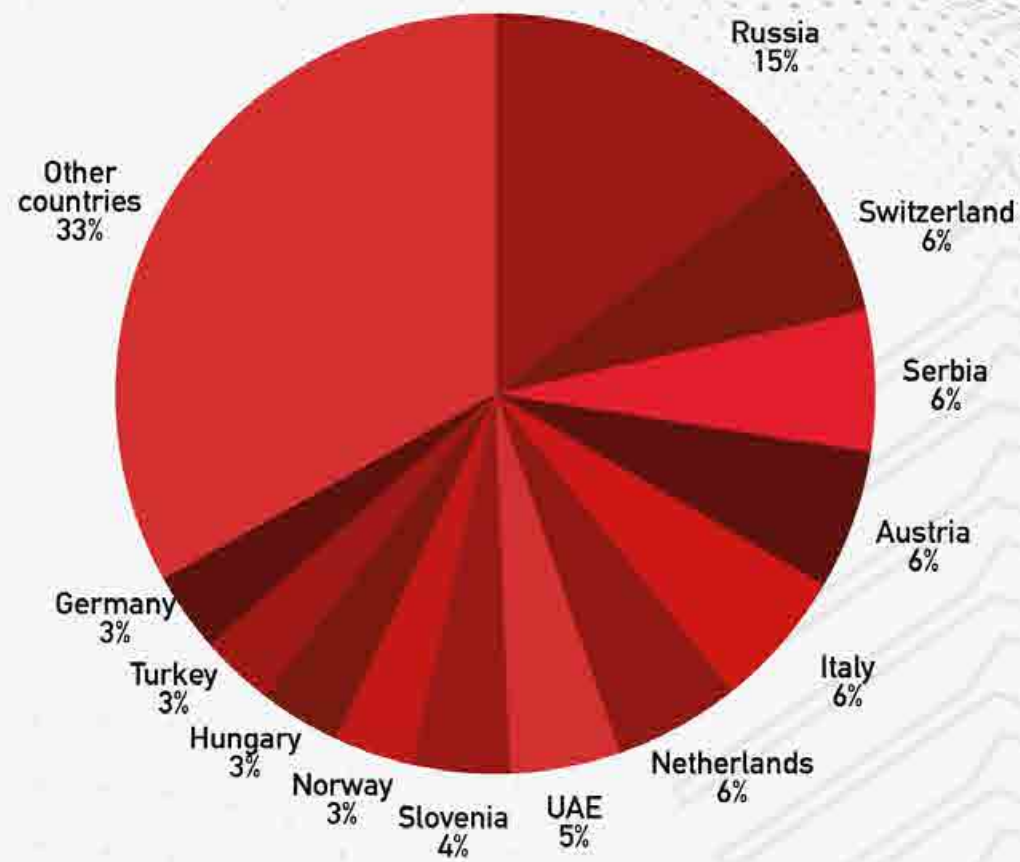
550,00€

694,29€

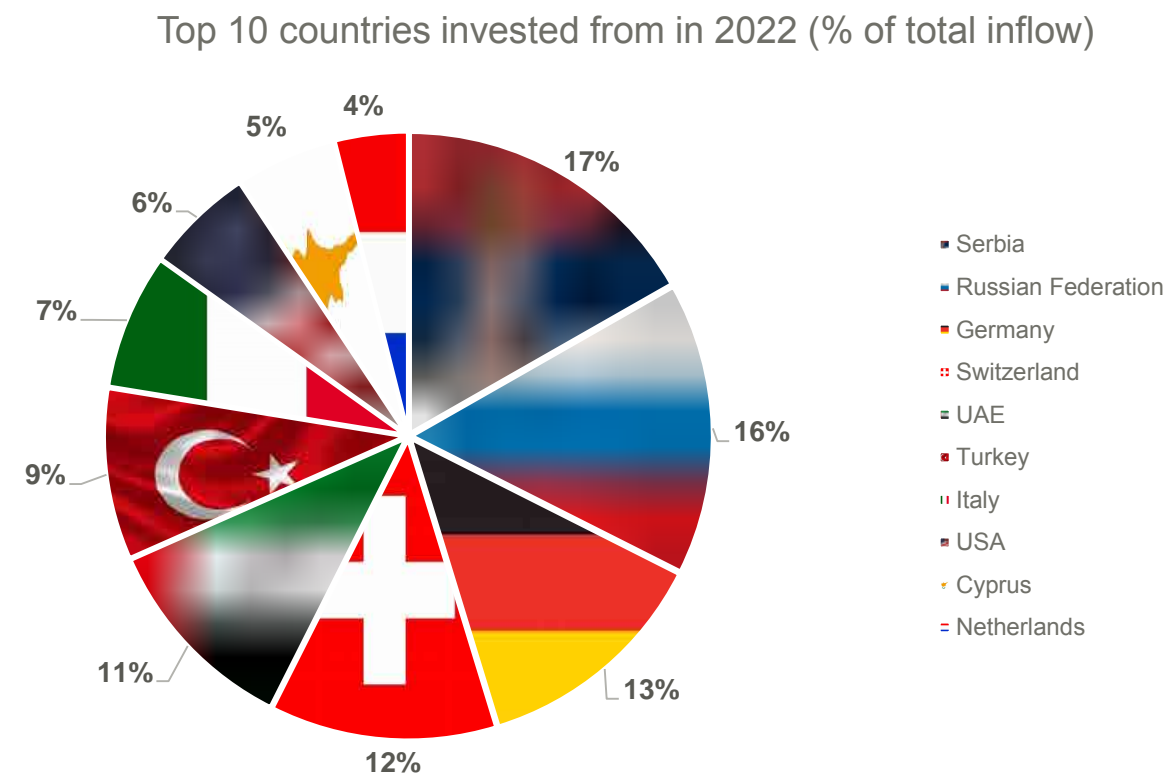
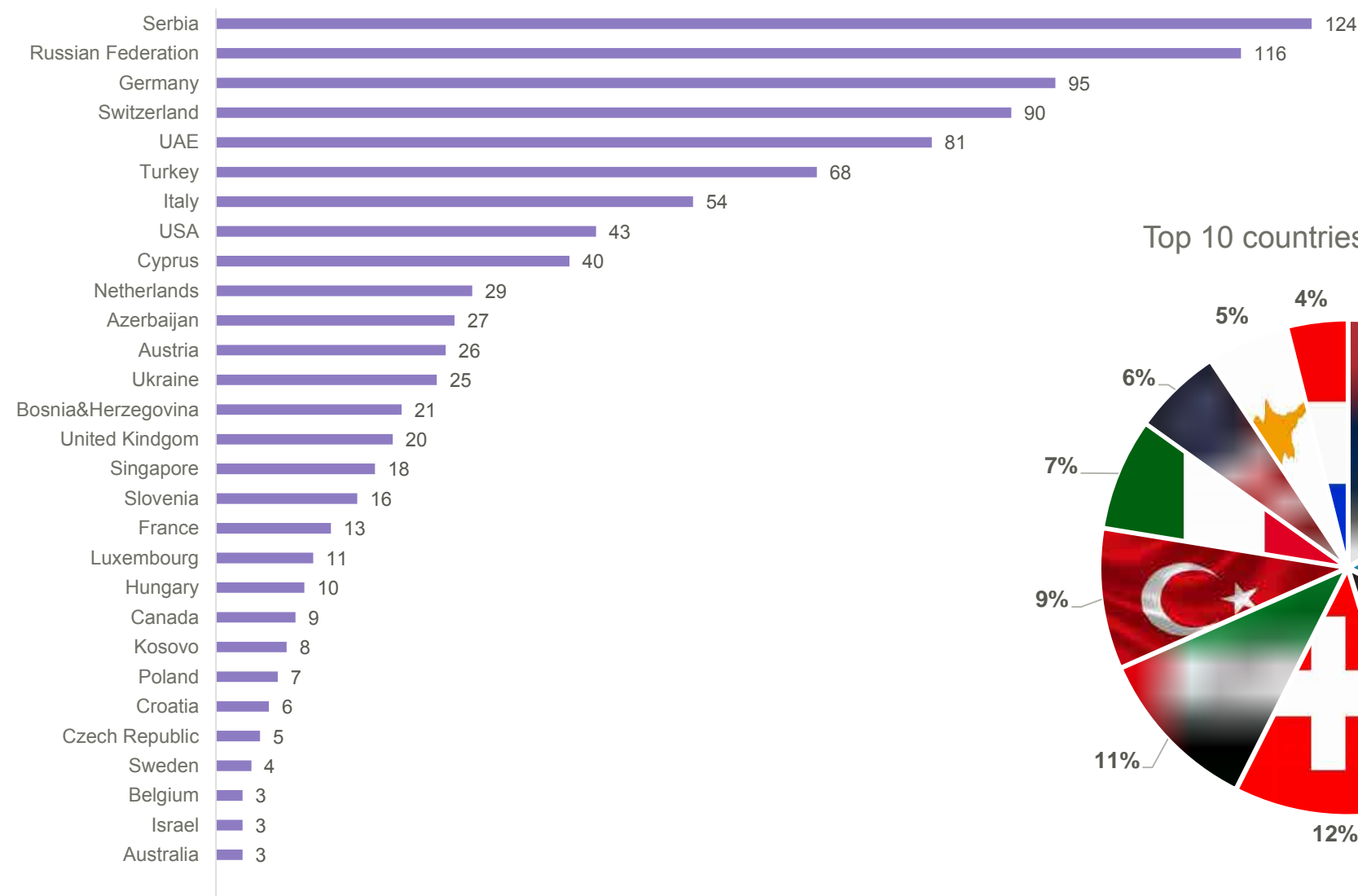
FDI Inflow 2006-2021 mil. EUR)



FDI Inflows 2010-2020 by countries (%)



FDI Inflows in Montenegro in 2022 by countries (mil. EUR)



German investors are the top investors in real estate sector in Montenegro in 2022, with total investments of 57 milion EUR out of total 370 milion EUR invested in real estate sector in 2022.



SECTORAL INVESTMENT OPPORTUNITIES

TOURISM

ENERGY

ICT SECTOR

AGRICULTURE

SUCCESS STORIES

The most significant realized investments
in the tourism sector



Porto Novi

Investor: Azmont Investments

737,4 million € investment
350 new employees



Porto Montenegro

Investor: Investment Corporation of Dubai

702,1 million € investment
378 new employees



Luštica Bay

Investor: Orascom

266 million € investment
280 new employees

Significant state investments in Ski infrastructure

Ski center Kolašin 1600

More than 40 km of ski trails.
35 million € investment



Ski center Žarski

By connecting the ski center "Žarski" with the ski center "Cmiljača", 60 km of ski trails will be provided
30 million € investment



Ski center Hajla

8 cable cars and 24 km of trails.
16 million € investment



Ski center Cmiljača

Additional 35 km of trails
28 million € investment



Montenegro – the biggest tourist construction site in the region

Ongoing projects



16 hotels under construction at this moment

„Breza“ Hotel, Kolasin

„Durmitor Hotel and Villas“, Zabljak

„Bjelasica 1450“ Hotel, Kolasin

„K16“ Hotel, Kolasin

„Cruiser“ Hotel, Budva

„Liko Soho“ Hotel, Bar

„Magnum“ Hotel, Kolasin

„B“ Hotel, Kolasin

„Boka Place“ Hotel, Tivat

„D“ Hotel, Kolasin

„Montis hotel&resort“ complex, Kolasin

„Amma Resort“

„President“ Hotel, Budva

„Tivat“ hotel complex, Tivat

„Kolasin Resort and Spa“, Kolasin

„R“ Hotel, Kolasin

444 million EUR ongoing projects in tourism sector

2764 new high category accommodation units



Bar

Location name:

UP2 Block 2 Zone A Dup Topolica 3

Cadastral parcel: 4957/6, 4957/4, 4957/3, 4953/1, 4953/4, 4953/2, 4952/3, 4952/2, 4952/1 and parts of others, K0 Novi Bar

Total land area (m2): 17767

Total surface of all buildings (m2): without buildings

Ownership status: Municipality of Bar and Government of Montenegro, no encumbrances or restrictions

Planning document: DUP Topolica 3, amendments to the DUP are being drafted

Form of transfer of rights: The subject of the transfer of rights is the entire plot through a public tender - auction

Location description: The location is located near the sea, in the area intended for the construction of high category hotels. The construction of the hotel building max GBA 62184 m2 is planned. The plot has a connection to the city water supply, sewerage and electricity network. The location is infrastructurally equipped.



Bar

Location name:

UP 44 block 8 zone B DUP Topolica 3

Cadastral parcel: KP 4976/11, 4977/5, 4978/2, 4977/14 KO Novi Bar

Total land area (m2): 17430

Total surface of all buildings (m2): no buildings built

Ownership status: Municipality of Bar and Government of Montenegro, no encumbrances or restrictions

Planning document: DUP Topolica 3, changes to the DUP are underway

Form of transfer of rights: The subject of the transfer of rights is the entire plot through a public tender - auction

HERCEG NOVI



Location name:

Mixed-use Building in Meljine

Location: Cadastral plot number 320/1 (part without LC), 320/2 i 320/3 K.

O. Podi

Land area: cca 2400 m²

Land use: Mixed-used complex with various social contents, including parking lots. max $l_p = 0.4$, max $l_i = 1.5$, max floor of facilities in the complex is S + P + 3 (basement + ground floor + three floors)

Land use plan: Valid plan: DUP Meljine ("Sl. list CG o. p." br. 26/12): UP 47

BAR-BOLJARE Highway

The largest infrastructure project being implemented in Montenegro

The first section of the Bar-Boljare motorway (Smokovac - Mateševo) opened 13th July 2022 it is about 41,5 km long, it has 29 bridges, ten overpasses, and sixteen double-tube tunnels

Coming next

Section	Lenght (km)	Construction costs (€)	Expropriation costs (€)	Total costs* according to BoQs (€)	Documentation Status
Djurmani - Farmaci	35,11	288.964.190	20.347.695	309.311.885	Conceptual Design
Farmaci - Smokovac (bypass around Podgorica)	17,10	196.307.250	7.880.250	204.187.500	Preliminary Design under preparation (expected to be completed in early 2023)
Mateševo - Andrijevisa	23,06	398.084.559	13.500.000	411.584.559	Preliminary Design under preparation (expected to be completed in early 2023)
Andrijevisa - Boljare	55,08	410.928.723	36.427.502	780.779.519,24	Conceptual Design
TOTAL	130,35	1.294.284.721	78.155.447	1.372.440.168	

Note: The costs in the table have been estimated at the beginning of 2022, with the significant rise of the construction material the costs are expected to be higher

Adriatic – Ionian highway coastal variant:

- The Feasibility study done
- 110 km lenght, estimated costs around 13.2 million per km, 1.45 billion EUR total
- PPP model as an option
- 42.09 million EUR provided by the EU for the co-financing of the bypass around Budva



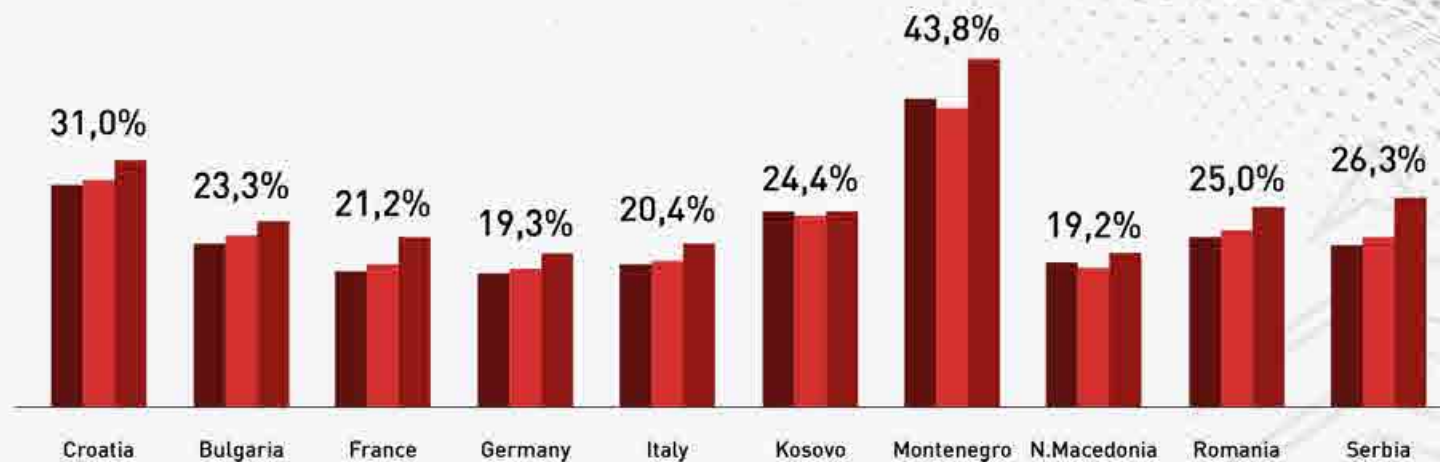
SUSTAINABLE ENERGY SECTOR



2021

The largest share in the production of energy from renewable sources

Share of electricity production from renewables (%)



Electricity production from wind (TWh)



Electricity production in Montenegro (2021)

	GWh	%
HPP Perućica & HPP Piva	1.827,49	57,8
TPP Pljevlja	1.332,61	42,15
Small HPPs	1,54	0,05

Implemented projects

Wind Farm Krnovo

72 MW



Wind Farm Možura

46 MW



Upcoming projects

Wind Farm Brajići

100 MW



Wind Farm Gvozd

54.6 MW



PROJECT GVOZD

Construction of new Wind Farm



Planned installed capacity – **54,6 MW**

Estimated investment value - cca **61 Mio.€**

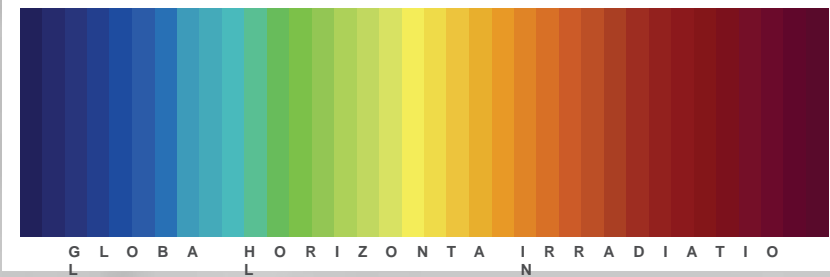
Expected loan from EBRD

Krnovo Project was financed by EIB, KfW, IPEX-Bank and Proparco

Start of construction envisaged in 2023

Planned annual generation - **150 GWh**

SOLAR POTENTIAL IN MONTENEGRO



	JAN	FEB	MAR	APR	MAJ	JUN	JUL	AVG	SEP	OCT	NOV	DEC	GOD SUM
SRV	125.8	125.8	170.7	204.1	268.4	297.7	349.4	323.1	255.2	202.5	133.5	114.7	2570.9
MAX	235.9	207.7	225.8	268.7	313.3	336.6	403.2	396.0	322.2	272.5	214.6	172.9	403.2
MIN	64.9	50.7	93.3	142.7	167.3	235.4	267.6	259.8	204.9	102.9	71.2	56.9	50.7

- Montenegro has good conditions for using of the solar systems due to the fact that there are more than 2,000 sunshine hours per year for the most of the Montenegrin territory and more than 2,500 hours per year along the coast.
- The brighter period of the year lasts from May to August and darker period of the year lasts from October to February.

Overview of new Solar projects in Montenegro

	Installed Capacity (MW)	Annual generation (GWh/y)	Year of commissioning
SPP Briska Gora	50+200	90+360	2023/2026
SPP Velje Brdo	50+100	80+160	2024/2006
SPP Vilusi I	30	45	2024
SPP Dragalj / Vilusi II	80	140	2026
SPP Čevo	100	160	2025
Floating solar Slano Lake	34	70	2023
Total	644	1105	

Undersea Cable between Italy and Montenegro

the largest development project
in the energy sector in history of Montenegro

Regional hub for the electricity export
to the EU market

A huge boost for the implementation of the
new projects in the energy sector of Montenegro

600 MW capacity (total 1200 once the 2nd phase
is implemented)

1.2 billion EUR total investment



1st pole HVDC ITA-MNE / 2019
2nd pole HVDC ITA-MNE / 2026

400kV
Bajina Bašta (RS) - Obrenovac (RS) / 2024

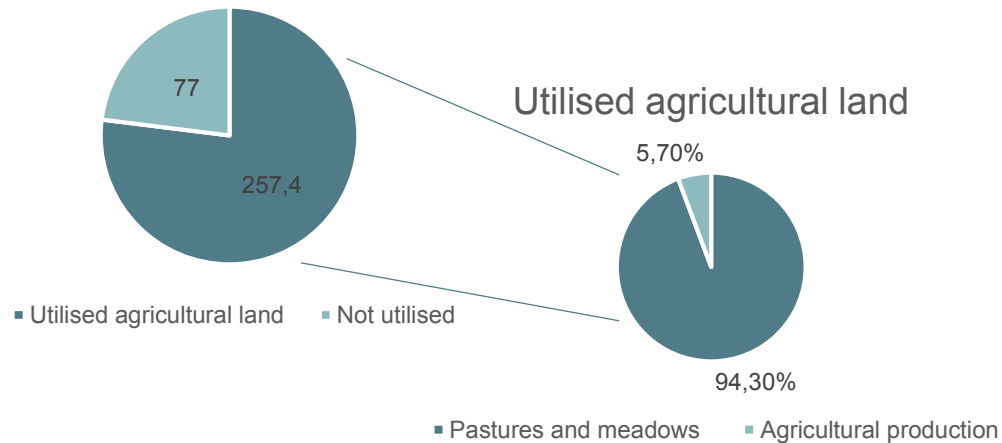
400kV
Pljevlja (ME) - Bajina Bašta (RS) / 2024

400kV
Lastva (ME) - Pljevlja (ME) / 2019

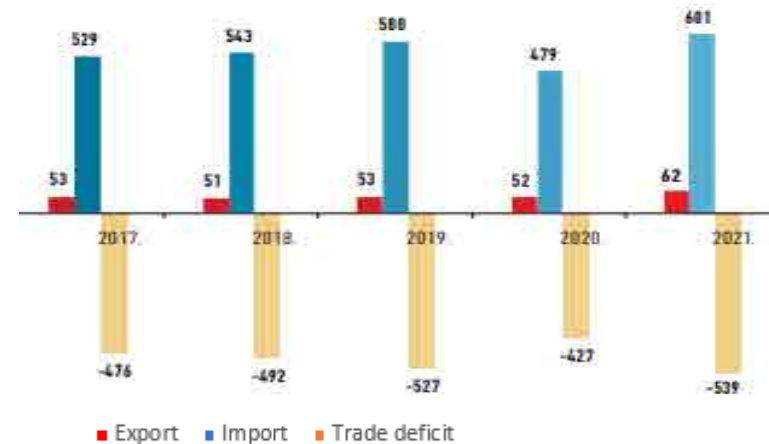
400kV Lastva (ME) and connection to
Trebinje (BA) and Podgorica (ME) / 2019

Agriculture

Agricultural land in thousands ha



Foreign trade in agri-food products (in millions EUR)



Imported vegetables in 2019	million €	Imported fruits in 2019	million €
Tomato	5.7	Apples, pears and melons	3.8
Potato	3.5	Cherries, apricots and peaches	3.5
Onion	2.5	Grapes	2.4
Carrot	1.3	Other products	million €
Cucumber	1	Eggs	2
Cabbage	0.9	Milk	13.7
Frozen vegetables	2.3	Water	10
Dried fruits	1.8		
Imported meat	million €		
Pork	52		
Beef	19		
Chicken	16		

EU FUNDS AVAILABLE:

IPARD III adopted
63 million € available 2021 – 2027

IPARD II supported 250 investment projects

Available locations for investments in agricultural production

Smrčje, Kolašin

Area: a total of 209,216m² or approx. 21ha
Purpose: livestock



Ozrinići, Nikšić

Area: 829,870m² or 82.99ha
Purpose: crop production / mixed



Krimovice, Kotor

Area: 121,960m² or 12.2 ha
Purpose: perennial plants



Zoganje, Ulcinj

Area: 284,190m² or 28.4 ha
Purpose: mixed use (perennial plantations,
field and vegetable production)



▶ VIDEO 



BUSINESS SERVICES SECTOR ON A RISE

Due to time proximity, good infrastructure and multilingual capabilities, Montenegro is becoming a next-wave location for delivery of voice and non-voice business process services and IT

ICT SECTOR

The ICT sector in Montenegro has been recognized as one of the most important sectors for the future economic development of Montenegro

57th place in the Global Competitiveness Report 2019
then it comes to ICT adoption

56,3 million € turnover in IT sector in 2020

25% revenue growth

12,2 million € export in 2020

amplitudo

coinis

datadesign

OYKOS
DEVELOPMENT

logate

ALICORN

fleka

s&t

bildstudio

T

one



GRADUATES 2011-2021

For a period of 10 years, 6776 Montenegrins graduated from University with a degree in electrical engineering sciences, civil engineering and information technology

Number of university graduates



Faculty of Electrical Engineering

Bachelor: 1945

Specialist academic studies: 1277

Masters: 106

Doctoral studies (Phd): 13

Faculty of Natural Sciences and Mathematics

Bachelor: 702

Specialist academic studies: 489

Masters: 96

Doctoral studies (Phd): 15

Faculty of Civil Engineering

Bachelor: 876

Specialist academic studies: 645

Masters: 55

Doctoral studies (Phd): 12



Faculty of Information Systems and Technologies

Bachelor: 140

Specialist academic studies: 27

Masters: 22



Mediterranean University

Faculty of Information Technology

Bachelor: 209

Specialist academic studies: 139

Masters: 8

Graduates from all fields (2011-2021)

Specialist academic studies: 16.607

Masters: 2315

Doctoral studies (PhD): 183

Other facts about education in Montenegro

Literacy rate **98.8%**

Population with secondary education **61.2%**

OFFICE MARKET

The core of business activity is located in Podgorica, and therefore represents the main business hub of Montenegro.

Demand is driven by new companies, expansion of those already present on the market, as well as companies currently occupying lower standard offices. The majority of demand will continue to come from international and local companies that are actively looking to relocate from older and lower standard office buildings to newer and modern buildings.

The majority of office space demand is broken down into 4 main sectors: companies specializing in IT products and services (35%), banking, investment and insurance services (20%), health industry (15%) and media (5%).



RENTAL PRICE (€/m ²)				
10-17	13-17	13-16	10-17	10-17
The Capital Plaza	Normal Tower	Europoint	Celebić Building	Cijevna Komerc

Rental levels for modern office space in Podgorica range between 12.50– 20 €/m²/month. Class A office buildings on good locations can be rented at 17 €/m²/month. Lower quality office space price varies between 8 and 13 €/m²/month.

The following table shows a breakdown of office rental prices in Class A office buildings in Podgorica. These prices represent range of rental prices, and do not include any additional service or marketing charges.

PROJECT	DISTRICT	GLA
Ex Hypo Alpe Bank	Central	4.500
Kroling	Central	3.000
Building between THB	Central	4.500
Professors' Building	Central	3.000
Cijevna Komerc	Central	5.500
Normal Tower	Central	6.515
Europoint	Central	8.895
Capital Plaza	Central	7.480
Riverbank Tower	Central	11.083
Jugopetrol	Secondary	5.765
Hidromol	Secondary	6.000
Palada	Secondary	3.000
Šofranac	Secondary	1.000
Čelebić	Secondary	1.100
Total		77.338



INTERNET PROVIDERS IN MONTENEGRO



telemach



Prices vary from 11.66€ to 37.99€ a month depending on the packet, speed up to 200 Mbps
Test 5G networks have already been installed in Montenegro.

Worldwide broadband speed league 2020

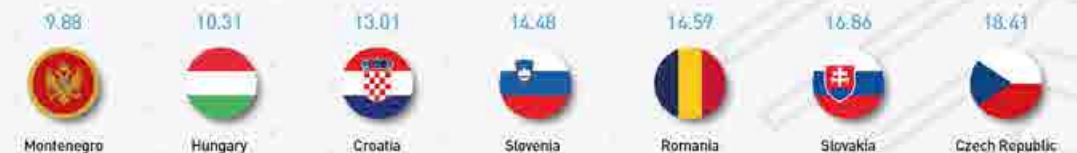
average download speed globally: 24.83



Worldwide cost of a fixed line broadband (per month)



Electricity cost (per kWh) 2020



THE INNOVATION FOND OF MONTENEGRO



The establishment of the Fund shows Montenegro's clear commitment to orient itself even more strongly towards a society based on **knowledge and innovation.**

Incentives for the development of research and innovation are provided in a form of exemption or relief in relation to:

- Personal income tax and surtax on tax;
- Contributions for compulsory social insurance;
- Corporate income tax
- Fees for communal equipment of building land
- Use of real estate and / or land owned by the state
- Real estate tax.



Innovation Fund is fueled by
the **Economic Citizenship Program**

BUSINESS ZONES

Business zones currently exist in the following municipalities:

Berane, Bijelo Polje, Cetinje, Kolasin, Mojkovac, Niksic, Podgorica and Ulcinj.

The industrial zone in the municipality of Kotor is also a strategic location for industrial development, offered to the credible investors.



Podgorica, The Capital

10 zones

0,01 €/m²

257 hectares

30 years lease

Investors shall be provided with incentives at both, the state and local levels. Incentives at the local level relate to the following:

- reduction of utility or other fees;
- favorable price of renting / buying space within the business zone;
- reduction or exemption from payment of surtax on personal income tax;
- reduction of real estate tax rate;
- the possibility of defining a favorable model of private-public partnership;
- infrastructural equipping in areas where it does not exist.



8 years

corporate income tax (CIT) exemptions for the newly established manufacturing plants operating in economically underdeveloped municipalities

8 years

personal income tax (PIT) exemptions for the employees of the newly established manufacturing plants operating in economically underdeveloped municipalities

0% VAT rate

for the supply of goods and services for the purposes of construction and equipment of four or five stars hotels

Program for improving the competitiveness of the economy

The Program for Improving the Competitiveness of the Economy for 2022 has a total budget of €3 million and consists of 5 financial and two non-financial program lines, which include activities and measures for the realization of financial and non-financial support for potential and existing entrepreneurs, micro, small and medium-sized enterprises.

1. Program line for the modernization of production processes. Budget - €1,000,000
2. Program line for the support of small-scale investments by entrepreneurs (in focus - women, young people in business, and craftspeople). Budget - €1,000,000
3. Program line for the introduction of international standards. Budget - €250,000
4. Program line for digitalization support. Budget - €400,000
5. Program line for fostering a circular economy. Budget - €200,000





Montenegrin
Investment
Agency

Montenegrin Investment Agency offers professional and dynamic guidance throughout the decision-making process by providing expert and timely services.

Business Development

Information

- General statistics and data about business-operating costs
- Sector researches

Communication

- Access to Government at all levels
- Connection to local partners (consulting, education, real estate)

Facilitation

- Assistance in location selection
- Organization of site visits

Aftercare

- Support in further expansion
- Constant feedback



Thank you
for your attention



Montenegrin
Investment
Agency

Montenegro Investment Agency
Kralja Nikole 27
Podgorica 81000, Montenegro

mia@mia.gov.me
mladen.grgic@mia.gov.me
+382 20 220 030